

INTERNATIONAL Herald Tribune

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ESTABLISHED 1887

Algeria... London... Paris... Tokyo... New York...

MONDAY SPORTS WEEKEND BASEBALL

See Page 17

In Tehran, Jet Loss Stirs Weary People

By Karen DeYoung... TEHRAN — Eight years of war, isolation and a failing economy are beginning to take their toll on Iran's Islamic revolution.



CHALLENGE IN MEXICO — A member of the opposition National Action Party asking the Federal Election Commission on Sunday why official results of the national elections on Wednesday have not been released.

Israel Objects to Arms Sale

U.K.-Saudi Deal Is Termed Threat To Mideast Peace... By Glenn Frankel... JERUSALEM — Israeli leaders warned Sunday that the multi-billion-dollar British arms agreement with Saudi Arabia marked a significant escalation of the Middle East arms race.

Polish Elite Find an Unlikely Hero — a Russian

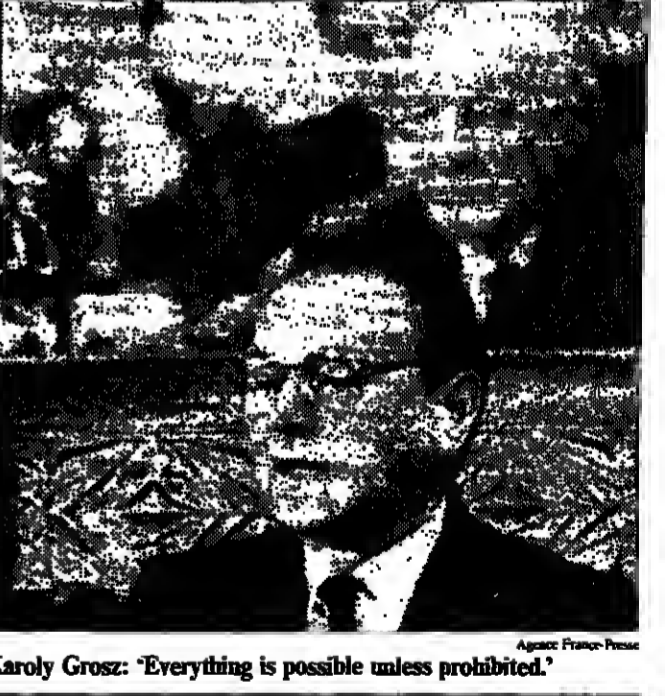
By Jackson Diehl... WARSAW — Adam Michnik, Poland's renowned dissident activist, says his friends were amazed to discover that he had become an avid reader of the Soviet press.

Failures in B-1B Design Said to Cripple Bomber

By Molly Moore... WASHINGTON — New tests have revealed design flaws in the B-1B bomber's electronic warfare system that could prevent the fast, sophisticated plane from ever achieving the full capabilities intended for it by the U.S. Air Force.

Grosz Says Soviets Plan to Copy Hungary's Economic Ways

By James M. Markham... BUDAPEST — Hungary's new leader says Mikhail S. Gorbachev has told him that the Soviet Union aims to emulate the small East European nation's highly innovative political and economic course.



Karoly Grosz: 'Everything is possible unless prohibited.'

Kiosk Afghan Rebels Bombard Cities

MOSCOW (AP) — Rebels have bombarded cities and towns across Afghanistan in a wave of attacks that killed or wounded more than 150 civilians, the Soviet press agency Tass reported Sunday.

Tokyo Affair Points Up Corruption

By Patrick Smith... TOKYO — The insider trading scandal linked to Japan's most prominent politicians has signaled, some local analysts and market sources say, the rapid spread of corrupt financial practices here and the growing dependence of national leaders on questionable stock transactions as sources of political funds.

MONDAY Q&A



Douglas Ford, chief executive of the Hong Kong Futures Exchange, discusses reform plans.

Rio Women and Colorful Squares by Miles Davis, the Painter

By Mike Zwerin... NEW YORK — Ask Miles Davis how he began painting and you get an answer you'd expect from someone who has been called the "Prince of Silence": "I used to draw Mickey Mouse and that airplane of his, Dick Tracy, he was easy, all I had to do was draw his nose. And Flash Gordon, I could do him, I did a drawing of Gerry Mulligan, that was in the '40s, looked exactly like him."



The artist Miles Davis at work; inset, a Davis drawing.

Arnold Schoenberg began to paint after he had made his musical name, as did John Lennon, Charlie Parker, Joni Mitchell, Tony Bennett and now Miles Davis. Davis started serious — some say compulsive — sketching in 1979, about the same time he came off drugs, which may be a coincidence. An exhibition of 30 of his works — oils and pen-and-ink drawings — opened Sunday at the Mosek and Tscheshow Gallery in Munich and runs until Aug. 12.

Vertical sidebar containing various advertisements including 'PEOPLE', 'HOTELS', 'RESTAURANTS', 'TRAVEL', 'CRUISES', 'FLIGHTS', and 'VOYAGES'.



كلام من العالم

BRIEFS

Oil field disaster specialists... Oil field disaster specialists...

Scientists Hold a Protest... Scientists Hold a Protest...

Calls for Resignations... Calls for Resignations...

Gets Peronist Vote... Gets Peronist Vote...

Pledge Further Talks... Pledge Further Talks...

U.S. Assists Emigrés in Smuggling Illicit Materials to Polish Dissidents

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AMERICAN TOPICS

2 Natural Gas Buses Being Tested in N.Y.

New York City is experimenting with two buses that run on natural gas, causing less pollution.

The buses will run for three years over express routes in outlying boroughs.

Methanol is a liquid fuel produced from natural gas or coal.

Short Takes

When Lynn Korwacz served as captain of the container ship Maui on a two-week round trip from Oakland, California, to Honolulu last month, she became the first woman captain of a large U.S. commercial freighter.



TRAVELIN' MAN — Rod Conklin, 35, of Darien, Connecticut, with a map showing the route he daily drives to work to his office in Boston.

Small towns in the American heartland, having lost population, jobs and schools to the farm crisis, are offering incentives not only to new businesses but to people who will come to live.

Beginning public school teachers now average \$18,000 a year in salary, and average pay for the entire profession is \$28,085.

A bill requiring that obscene words on bumper stickers be no more than one-eighth of an inch (3 millimeters) high has been passed by the Louisiana legislature.

Firefighters Brace for Worst U.S. Season Ever

LOS ANGELES — Firefighters and forestry officials, confronting the widespread drought that has crippled farms around the nation, are bracing for what they say could become the worst summer of forest fires on record.

This year's dry conditions are even more extreme. Fire officials are concentrating on coordinating efforts between fire agencies.

California alone, smoking and fire restrictions have been posted on thousands of acres of state parks.

U.S. A-Plant Incident Probed

Danger Feared at Whole Class of Power Installations

By Matthew L. Wald. NEW YORK — A huge oscillation in the speed of a nuclear reactor at an atomic power plant in Illinois has prompted an inquiry into whether a whole class of nuclear plants is vulnerable to a dangerous condition that engineers had predicted was impossible to occur.

The incident, which occurred March 9 at Commonwealth Edison's LaSalle-2 reactor, in Seneca, 50 miles (80 kilometers) northwest of Chicago, did not damage the plant or cause the release of radiation, although there was an automatic shutdown.

But the staff of the Nuclear Regulatory Commission said the incident was "an important precursor event," meaning that in a future incident such developments could

be the early stages of a major nuclear accident. The fear is that a runaway reaction could cause a plant to overheat, with its fuel melting and releasing radiation.

Commission engineers say that in the incident, the flow of neutrons, the subatomic particles that maintain the nuclear reaction, went through wild shifts every two to three seconds, rising in parts of the core to as much as 300 percent of the normal maximum of neutron flow and then collapsing again.

For the reactor as a whole, instruments measured the peak at 118 percent of the normal maximum, the level that triggers an automatic shutdown.

According to a report issued last month by the commission staff, the incident casts doubt on whether the power plant, licensed by the commission four years ago, ever met its requirements for stability, even though it is described by its owner to be one of the most stable plants of its type.

In addition, the staff said the incident might show that two safety issues that the commission thought it had put to rest years ago might actually not have been solved.

Commonwealth Edison minimized the safety significance of the incident. Thomas J. Rausch, an engineering supervisor at the plant, said that while neutron levels did jump up and down, total heat pro-

duction remained constant because the temperature reflected the average neutron level. Thus, the reactor was not near overheating, he said.

But a leading safety watchdog group, the Union of Concerned Scientists, said the incident had come close to damaging some of the nuclear fuel and bore grave implications for other plants.

"All these calculations, since Day 1, are wrong," said Robert Pollard, a safety analyst with the Union of Concerned Scientists. He is a former inspector with the nuclear commission.

"If these things had happened and there were a plant applying for a license, it wouldn't get a license until this were resolved," Mr. Pollard said. "What is the legal basis for leaving this in operation?"

On June 15, the commission staff gave the owners of 36 reactors manufactured by the General Electric Company 60 days to analyze the vulnerability of their plants to the kind of instability that occurred at the LaSalle plant. A committee of utilities that operate the reactors, headed by Mr. Rausch, is working on a response.

At the LaSalle plant, the incident began when a worker accidentally caused the shutdown of two pumps that circulate the water in the core, an equipment failure that has occurred elsewhere without complications.

At LaSalle, however, one result was to trigger a condition in which the core alternated rapidly between being extremely conducive to the nuclear reaction and hostile to it.

U.S. Assists Emigrés in Smuggling Illicit Materials to Polish Dissidents

By Robert Pear. WASHINGTON — The U.S. government has joined Polish emigrés in a major effort to help Solidarity and the Polish underground.

The fact of U.S. support for Solidarity has been known, in general terms, for a few years. But a full picture of this role emerged in recent weeks from an examination of government documents and interviews with U.S. officials and Polish emigrés.

The Polish authorities are aware of the activity, but have been unable to stop it. They have intercepted a few trucks carrying books, printing presses, cameras and smoke grenades to the underground.

Poland has a huge underground publication network, much of it supported by the United States, though U.S. officials say the demand for such publications in Poland far exceeds the supply.

Some of the money is openly provided by Congress. Some is passed on through the National Endowment for Democracy, a private nonprofit corporation that receives almost all its funds from the federal government and seeks to encourage democratic institutions around the world.

J. Presser Dies, Led Teamsters

By Carlos Sanchez. WASHINGTON — Jackie Presser, 61, the leader of the International Brotherhood of Teamsters who tried to steer the union back into the mainstream of organized labor, died of a heart ailment and brain cancer Saturday at a hospital in Lakewood, Ohio.

He was head of the nation's largest and richest labor organization. It is also widely regarded as the most corrupt union.

Accusations Denied by 2 UN Agencies

By Paul Lewis. OSLO — The directors of the two biggest international development agencies have rejected accusations that they imposed unjustifiably harsh economic policies on developing countries, causing human suffering and environmental damage.

Michel Camdessus, managing director of the International Monetary Fund, said at a closed meeting of heads of UN development agencies here Saturday that he felt no need to justify his organization's record of helping Third World countries overcome economic difficulties, according to participants at the conference.

The heads of the IMF and the World Bank, which are both specialized agencies of the United Nations, were speaking a day after Secretary General Javier Pérez de Cuellar accused them of treating developing countries unsympathetically.

They are like doctors who have the same prescription for all ills, Mr. Pérez de Cuellar said. "We need a human touch, not just a theoretical touch."

The IMF and the World Bank were accused last year of treating Third World countries harshly and of damaging their natural environments. The charges were made by Prime Minister Gro Harlem Brundtland of Norway.

In particular, that panel said the IMF, the World Bank and Western governments should do more to safeguard the environment of the Third World by lightening its debt burden.

Soviets Link Cheating Rules To Progress in Arms Talks

GENEVA — A Soviet arms control official on Sunday linked progress in halving the superpowers' long-range nuclear arsenals to rigid rules against cheating — including the right to inspect any naval ship for missiles.

Alexei A. Obukhov, head of the Soviet arms control delegation, also said a successful strategic arms treaty depended on strict observance of the 1972 Anti-Ballistic Missile Treaty.

He was speaking on arrival at Geneva's Cointrin airport before resuming a new round of nuclear and space arms control talks with the United States on Tuesday.

President Ronald Reagan and the Soviet leader, Mikhail S. Gorbachev, agreed at the Moscow summit meeting last month that negotiators would resume drafting a strategic arms reduction talks, or START, treaty to halve their intercontinental nuclear weapons on July 12.

The proposed START treaty would reduce each superpower's stockpile of long-range weapons to 6,000 warheads fixed to land- and submarine-based missiles and heavy bombers.

"The Soviet side," Mr. Obukhov said, "favors the strictest possible verification, also as regards long-range sea-launched cruise missiles, up to inspection of any naval ship. We shall try to persuade the United States to accept also this form of verification."

Mr. Obukhov said he hoped to meet with Max M. Kampelman, the chief U.S. negotiator, on Monday. Mr. Kampelman arrived in Geneva on Saturday.

Mr. Kampelman said in Washington on June 20 it was unacceptable to have U.S. inspectors on Soviet naval vessels and Soviet officers on U.S. ships to check for missiles. He added that some technical means of verification would have to be found.

Advertisement for Bombay gin with a bottle image and the text 'THERE'S ONLY ONE GIN FOR THE WELL-INFORMED.'

Advertisement for USA DIRECT with phone numbers for various countries like Australia, Belgium, and others.

Advertisement for AT&T with the text 'The right choice.'

INTERNATIONAL Herald Tribune

An Era Ends in Mexico

A race far closer than even the opposition expected has left real doubt over who the next Mexican president will be. That in itself is a political earthquake in a country where the ruling Institutional Revolutionary Party, or PRI, has captured every presidential, senatorial and gubernatorial election since its formation in 1929.

widely recognized as a convinced and capable exponent of the free market. The PRI also has itself to blame. Its displays of dictatorial arrogance, corruption and electoral fraud fed popular discontent and would have hurt Mr. Salinas even had he not been burdened with the decline in growth and living standards.

Seoul Is Making Sense

The Korean peninsula, divided into bitterly hostile states since World War II, is the last place you would expect to see affected by the changes stirring elsewhere in Asia. But something surprising is happening there, too.

and is ready to tackle the remaining open item on the national agenda: reunification. South Korea, as it becomes more democratic, necessarily pays more attention to popular ideas than it did while authoritarianism was the prevailing style.

A New Deal for Angola?

Is the bell finally tolling for the long dirty war in Angola? Can it be that South Africa will pull its troops out of Angola and end its illegal rule in Namibia? Will Cuba withdraw 50,000 troops from Angola, and will Pretoria stop arming the rebel forces of Jonas Savimbi?

In short, there is enough happening to justify Mr. Crocker's labors. The catch, as before, is Namibia, the resource-rich territory between Angola and South Africa.

Other Comment

A European Hope for Ireland

There is a sense in which the EC summit and decisions taken or promised at Haanover roll inexorably toward a conclusion which will make the Border irrelevant. As barriers to international trade and commerce fall throughout Western Europe and tax rates are harmonized, as investment and labor, heedless of old boundaries, move into new

territories, such economic arguments and administrative props as have been used to shore up division will disappear. It may not happen immediately on the achievement of a single market; it is bound to be accompanied by social and economic trauma. But the new European Community will leave exposed the withering frailty of a conflict in which bombs are planted in school buses.

The United Nations Is There to Be Used

By Brian Urquhart

The writer was undersecretary-general of the United Nations from 1974 until his retirement in 1986.

NEW YORK — At the time the U.S. Navy became involved in the Gulf, circumstances seemed to dictate a unilateral approach. Washington's obsession with Moscow's intentions, the Kuwaiti request for protection of shipping addressed to both the superpowers and the repercussions of the Iran-contra affair, as well as a knee-jerk perception of the United Nations as incapable of effective conflict management or anything else, all pointed to unilateral intervention.

It is time to consider again the old practice of avoiding direct great power involvement in regional conflicts.

Vietnam, the Soviet Union in Afghanistan, for example — the involvement has tended to be an embarrassment, and sometimes a tragedy. The experience of the "multinational" force in Beirut, and the repercussions of that involvement, illustrate vividly the hazards of such a course.

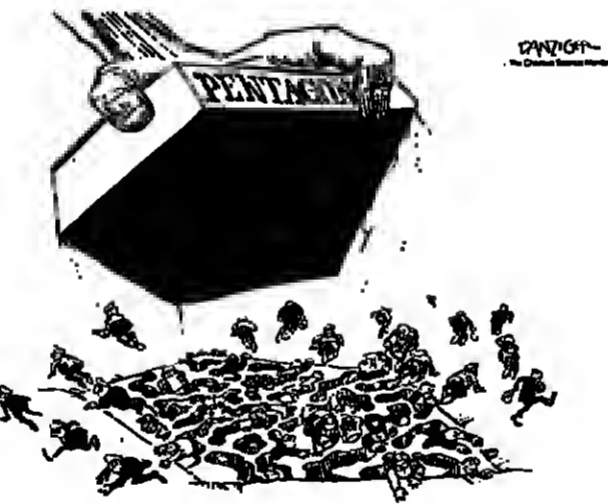
A Defense Agenda for America's Next President

By Sam Nunn

The writer, a Democrat from Georgia, is chairman of the Senate Armed Services Committee.

WASHINGTON — Next January, the new president of the United States will confront complicated and demanding challenges to national security policy. Although internal changes in the Soviet Union may offer new opportunities, Soviet military power continues to grow.

economic threats today which, if left unattended, will become the source of military threats tomorrow. America's most basic defense task will continue to be to provide a survivable and effective nuclear deterrent. We face a fundamental question as technology decreases missile flight times and increases their accuracy.



For an Anti-Drug Bill That Works

By A. M. Rosenthal

NEW YORK — Republican and Democratic senators working on anti-drug legislation say privately that they would like the American public and press to send a one-word message to the two leaders of the Senate: Lead.

become an awkward election issue. Yes, politics, but more than politics. It is one of the few issues that cuts not only across party lines but across political cynicism as well.

ests both of the United States and of the world community better? Undertaken in the context of the general desire to end the war, would such an effort have been more effective and less prone to disastrous accidents?

A Scientist Talks Like Gorbachev

By Flora Lewis

PARIS — The Soviet Union has just launched another spectacular space probe to Mars, with two vehicles to land on the Martian moon Phobos. Roald Sagdeev, director of Moscow's Institute for Space Research, is proud but not happy.

100, 75 AND 50 YEARS AGO

1888: Physician Assailed

LONDON — The St. James's Gazette publishes what purports to be extracts from the German medical report on the Emperor Frederick's complaint. They purport to show that each German physician declared the disease cancer, but that Sir Morell Mackenzie disputed this, and that it was who by examination unscientifically injured the throat of his patient. The extracts are evidently maliciously made and adroitly put together.

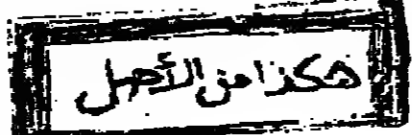
1913: War Ultimatum

PARIS — The "Matin" this morning (July 11) states that Roumania has declared war on Bulgaria, and publishes the text of the ultimatum which the Roumanian Minister in Sofia has been ordered to present to the Bulgarian Government.

1938: Cathedral Restored

RHEIMS — The centuries-old cathedral of Rheims, partially destroyed during the World War, was restored in all its pre-war glory by the people of France today, President Albert Lebrun was here, representing the people of France. Representatives of all the wartime Allied powers came to Rheims for the celebration. So did Marshal Petain and scores of government officials and other notables. In his sermon Cardinal Suhard, Archbishop of Rheims, pleaded for peace and declared that "justice" always ends by triumphing over violence.

INTERNATIONAL HERALD TRIBUNE JOHN HAY WHITNEY, Chairman 1958-1982 KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER Co-Chairmen LEE W. HUEBNER, Publisher JOHN VINCIGR, Executive Editor • WALTER WELLS, News Editor • SAMUEL A. BART, KATHERINE KNORR and CHARLES MITCHELMORE, Deputy Editors • CARL GEWIRTZ, Associate Editor • ROBERT J. DONAHUE, Editor of the Editorial Pages • JAMES R. CRATE, Business/Financial Editor • RENÉ BONDY, Deputy Publisher • ALAIN LECOUR, and RICHARD H. MORGAN, Associate Publishers • FRANÇOIS DESMAISON, Circulation Director • ROLEF D. KRANER, Advertiser Sales Director • KOURT HOWELL, Director, Information System International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France. Tel.: (1) 46.37.93.00. Telex: Advertising, 613995; Circulation, 612832; Editorial, 612718; Production, 630698. Directeur de la publication: Walter N. Thayer. Editor for Asia: Michael Richardson, 5 Conventry Rd., Singapore 0511. Tel: 472-7768. Telex: RS56928 Managing Dir. Asia: Malcolm Glenn, 50 Gloucester Road, Hong Kong, Tel: 5-8610616. Telex: 61170 Managing Dir. U.K.: Robin MacNichol, 40 Long Acre, London W.C.2. Tel: 636-4002. Telex: 562009 Gen. Mgr. W. Germany: W. Lauerbach, Pfaffenstr. 15, 0000 Frankfurt/N. Tel: (069) 756753. Telex: 416721 Pres. U.S.: Michael Conroy, 230 Madison Ave., New York, N.Y. 10017. Tel: (212) 755-3890. Telex: 437175 S.A. an capital de L'Herold Tribune. R.C.S. Numero B 73202/126. Commission Paritaire No. 61337 © 1988, International Herald Tribune. All rights reserved. ISSN: 0294-8025.



A Scientist Talks Like Gorbachev

By Flora Lewis

PARIS — The Soviet Union has just launched another space probe to Mars, with the Phobos. Roald Sagdeev, director of Moscow's Institute for Space Research, is proud but not happy...



Solid Progress on Our Way towards New Frontiers.

Daimler-Benz achieved success in all aspects of its business during 1987. The figures speak for themselves - turnover was up by DM 2 billion to DM 67.5 billion. It all adds up to yet another satisfying financial result.

And the success was not limited to the company's core activities - the passenger car and commercial vehicle business. While strong demand came from the important passenger car markets, and our commercial vehicles experienced an encouraging revival, further progress was also made by the new members of our group - AEG, Dornier and MTU.

These strides forward have been achieved thanks to the joint efforts, dedicated commitment and mutual confidence of all involved: our customers, our suppliers, our employees, and our shareholders.

Heading into New Dimensions.

Daimler-Benz accepts the challenge of the future with an enterprising, imaginative, and strategic approach, as well as fortitude, and rational consistency. The group, always known and respected for its innovations and spirit of invention, will spend more than DM 50 billion over the next five years on fixed assets, research, and development.

The course for the future has been set. The company has entered the most exciting phase on its way to new dimensions.

Table with 3 columns: DAIMLER-BENZ GROUP, 1987, 1986. Rows include Sales (Domestic/Foreign), Group's Divisions (Passenger cars, Commercial vehicles, AEG, Dornier, MTU), Employees (Domestic/Foreign), Personnel expenses, Fixed and financial assets, Investments, Liquid assets, Cash flow, Net income.

Our 326,000 employees, of whom more than 22,000 are involved in research, development, and testing, are highly motivated and poised to make full use of the new opportunities offered by our enlarged group.

This provides a strong foundation for the ever more demanding technological progress required to open up new frontiers and to conquer further areas of activity. With production, assembly, sales and service operations around the world, Daimler-Benz is in the best position to maintain its competitive lead on an international basis.

Fresh Impetus from the European Market.

The approach of a single European market forms a vital part of our marketing strategy. And it is from this market that we expect strong potential.

The prospects of further strengthening our leading position in Europe and worldwide are good. With a solid financial structure, a firm commitment to innovation in new technology, and a forward-looking strategy, Daimler-Benz is on the right track for future success.

We know what we want, but equally important, we also know what is expected of us.



AND 50 YEARS AGO... 1938: Cathedral...



A Monthly Report for the International Investor

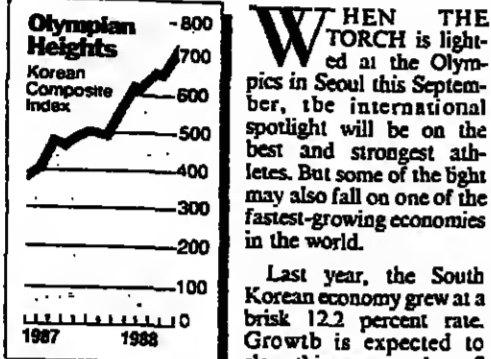
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Monday, July 11, 1988

PERSONAL INVESTING

FOCUS

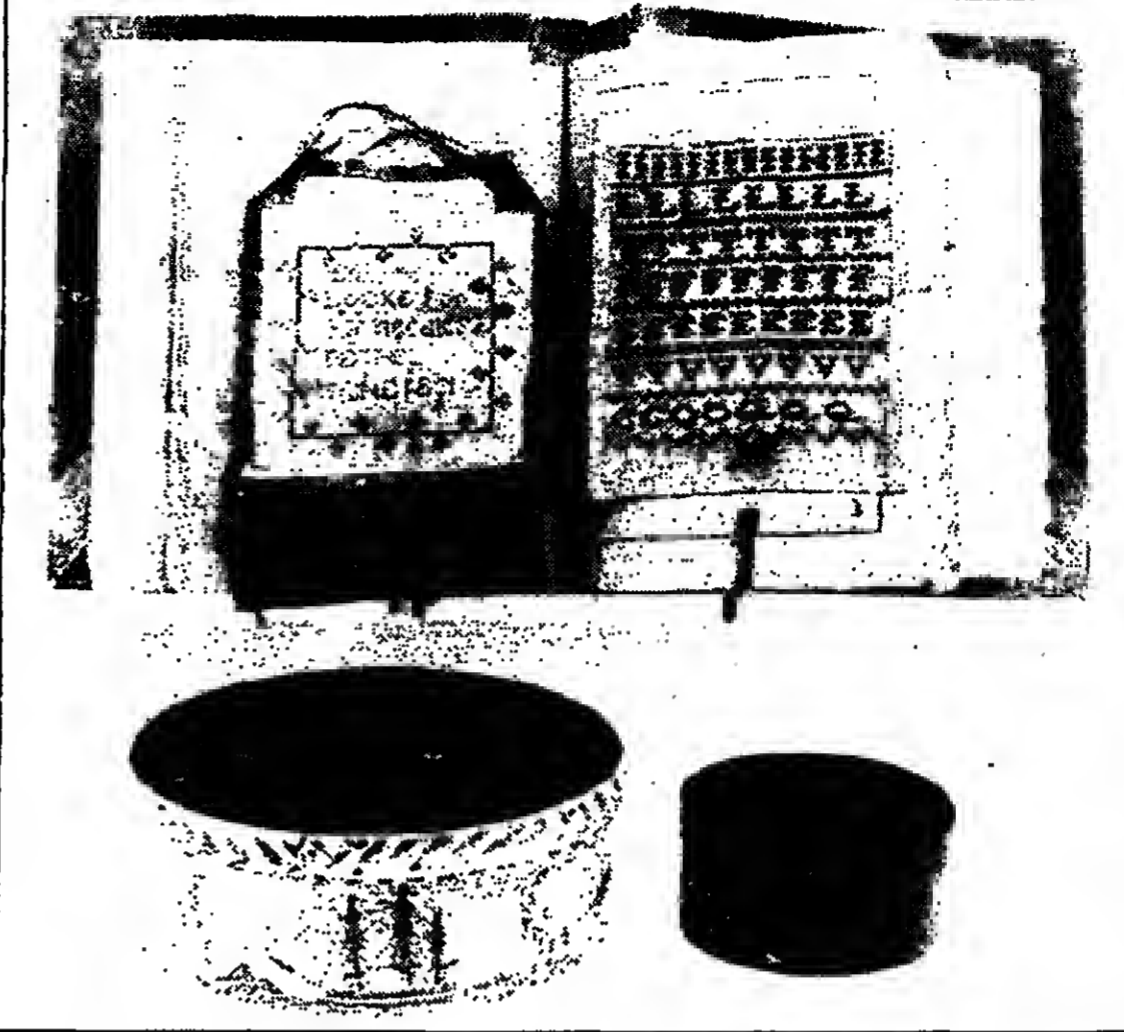
Korea Funds: Stiff Premiums



WHEN THE TORCH is lighted at the Olympics in Seoul this September...

Folk Art: Finding the Real Thing

Collectors of American folk art used to have little to worry about when it came to fraud...



Often, fake pieces have been given a older, more 'antique' look than the originals...

Source: Maine Antique Digest

Why Japan's Exporters Are on the Rebound

By Patrick L. Smith

WHEN THE YEN rocketed upward in 1985, the reaction of investors, particularly foreigners, was predictable...

What few analysts had foreseen, however, was the remarkable resilience of these companies...

Indeed, after two years of decline, Japan's overall exports began a marked recovery...

Even with this recovery in exports, the sector as a whole has remained at what passes in Tokyo for a modest price-earnings multiple...

How did these concerns manage to confound the economists, surviving global exchange-rate policies that more than doubled the yen's value over a three-year period?

The basic strategies have been clear since the yen began to rise: Less expensive sourcing of components, a massive move into overseas manufacturing...

As important as any of these has been the lower cost of imports. Import prices are expected to drop faster than export prices in 1988...

For manufacturers, overall costs of supplies are forecast to fall

Continued On Page 8

Hot Collectibles Draw Counterfeiters

Knowledge is the best protection against fraud.

By Cynthia Catterson

LARRY FORLANO keeps a small, plastic box on his mantel as a reminder. A dealer in antique Oriental rugs...

For example, interest in American folk art has not only helped to propel prices, but it has also resulted in a spate of articles of dubious origin...

The problem is compounded by the fact that Dali personally autographed a number of blank pages in his later years...

Spurious reproductions of famous lithographs are another area of concern. In the past few years, forged works by Salvador Dali have become such a problem...

Unfortunately, Mr. Forlano's experience is not uncommon. Famous and valuable objects have been copied for centuries, and counterfeiters have fooled some of the most knowledgeable experts...

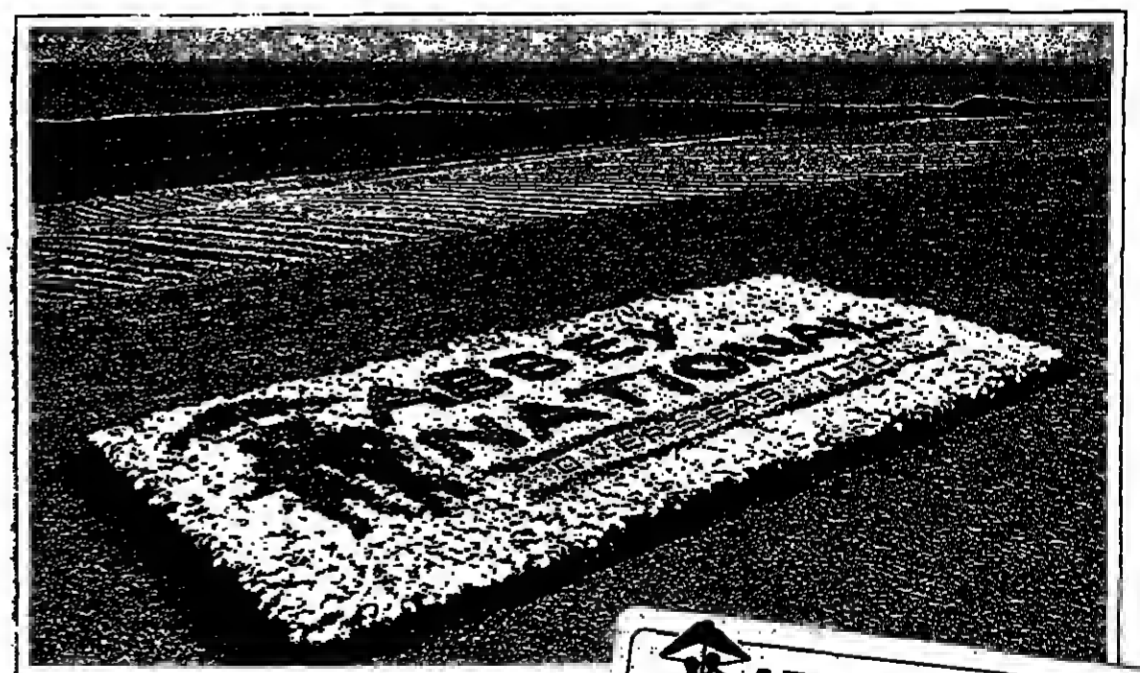
Knowledge is a collector's best protection against fraud, experts say. 'Forgers don't always do all their homework,' says David Battie...

Strict quality control policies in the courts of Louis XV called for anything that was mislaid to be rejected. Thousands of pieces of white, unpainted porcelain later resurfaced...

But even experts can have a difficult time. Bona fide 18th-century French Sevres porcelain is among the hardest to confirm, according to Mr. Battie...

Continued On Page 10

NOW, WHEREVER YOU ARE IN THE WORLD, YOUR MONEY GROWS BEST IN JERSEY.

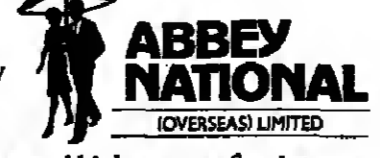


If you are living or working abroad, Abbey National will help you make the most of your money. In Jersey's genial financial climate, your funds will flourish as surely as the flowers...

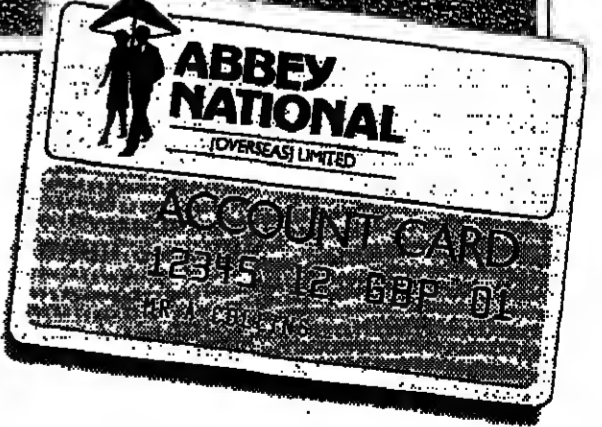
We've joined forces with The First National Bank of Chicago to introduce a fast and highly efficient international money transfer system...

Our Offshore investment accounts are so flexible, you'll find exactly the right one for your needs. Offshore Plus offers instant access and five rates of interest...

Now we've planted the thought, send us the coupon. And we'll really get things growing.



Fast, flexible cash flow and high-rate tax-free interest. Copies of the latest audited accounts are available on request.



To: Peter Donne Davis, Managing Director, Abbey National (Overseas) Ltd, PO Box 545, Abbey National House, Ingouville Place, St Helier, Jersey, Channel Islands. Please send me full details of the Abbey National Offshore Plus & Offshore 90 Accounts...

UPDATE Luxembourg Takes Lead on EC Rules

HOPING TO bolster its role as a financial center, Luxembourg has jumped ahead of fellow members of the 12-nation European Community by adopting uniform regulations governing the sale and management of investment funds...

The move may help the Grand Duchy compete as a center for fund operations.

Some observers believe that by adopting legislation March 30 that conforms to an EC directive approved in 1985, Luxembourg may be in a position to attract fund operators, particularly those based in the Channel Islands...

Luxembourg's new regulations incorporate the 1983 provisions as well as the measures contained in the EC directive. These establish common rules for the control, structure, investment policies and public disclosure for the funds...

er, those sponsoring funds will have to abide by local advertising restrictions. The practical effect of Luxembourg enacting the directive, at least for the moment, has been to enhance its attractiveness as an offshore center...

Many of the recent applications received by Luxembourg authorities are from London-based asset management companies now operating on the islands. Applications are also coming from Switzerland, the United States and Japan...

The new law requires Luxembourg-domiciled funds to be administered in Luxembourg, though actual asset management can continue to be performed outside the country...

But this would likely halt, he says, if Britain or other EC countries allow the same tax benefits as Luxembourg, or if the Grand Duchy is forced to eliminate its tax advantages as Europe creates a truly common market by the end of 1992.

Jacques Neher

Concede... Arab Umm... ISRAEL Sale Is Profit... (Continued from page 1)

THE BOURSES

U.K. Image Makers Target a Unified Europe

By Marybeth Nibley

London

THE PUSH by the 12 European Community nations to meld themselves into a single market by the end of 1992... free of restrictions on trade and financial flows...

The integration of the markets, helped along by the emergence of European-wide commercial television linkups, is expected to stimulate advertising demand. Ad agencies are seen benefiting from the emergence of pan-European brand names as food and other consumer-product groups consolidate to take advantage of larger-scale markets...

It is far too early to quantify the effects of the 1992 changes on the European market for advertising and public relations services. But the trackers of the EC advertising market are encouraged by the steady rise in total expenditures on all kinds of electronic and print media in recent years.

In 1988, the Advertising Association, a London-based trade group, estimates that total EC ad spending will rise 7 to 12 percent this year, which would bring total expenditures to about 1 percent of EC gross domestic product. A Phillips & Drew study said spending in the continental markets could grow 12 percent a year for a while, significantly faster than in Britain or the United States.

While these may be new themes to some investors, executives in the advertising and public relations field have long anticipated the changes, as witnessed by the emergence of mega-advertising groups such as Saatchi & Saatchi, WCRS, and WPP. Indeed, the major groups are seen as best positioned to exploit the changes, given the wide range of services they offer and their already commanding position in the market.

Of the major groups, Saatchi & Saatchi ranks as the largest ad group in Europe and derives 20 percent of its profits from the European market. Followers of the group expect it to build on its dominant position and to continue expanding its consulting operations. WPP, which also derives about 20 percent of its profit from Europe, is committed to further acquisitions there.

WCRS has taken a different tack from the two other major groups by its willingness to set up joint ventures. It has a 50-percent stake in the French media buyer SGGM and a 49-percent holding in Belier. Belier, in turn, is part of the Eurocom group,

Ad and PR Firms

Table with columns: Firm Name, Price June-28, % change from Jan-1, 1988 High-Low, P/E. Includes Boaes Massimi, Lopex, Lowe Howard, Shandwick, VPI, Yellowhammer, FT All Shares.

one of the largest ad operations on the continent.

A handful of the second-tier agencies have built up substantial presences on the continent that enjoy good reputations. The best bets will be those firms that already have a loyal, diversified customer base in the U.K. were able to get a foothold in Europe early, and also offer a range of what the industry calls "below the line" services, such as public relations and market research.

Some industry observers see special pitfalls for second-line firms if they try to expand into Europe too quickly. "If you link up ad hoc and don't understand the way Europeans do business, watch out," says Andrew Mills, an analyst at Barclays de Zoete Wedd. Adding to the risk is the meager financial depth of advertising firms, which often have little in the way of assets other than a talented staff and a list of clients.

Overall, opportunities for growth in corporate communication services, especially in the area of investor relations, may be greater than for conventional advertising services. Professionals view public relations in the financial fields as less sophisticated in Europe than in the United States or Japan. "There is an opportunity to develop an immature market," said Reg Valin, chairman of VPI Group, which is the holding company of eight subsidiaries that specialize in financial and corporate communications.

Here are brief looks at a few of the second-tier advertising and public relations groups:

BMP Davidson Pearce: The importance of moving into continental Europe was the principle reason for the recent merger of British advertising firms Boaes Massimi Pollitt and Davidson Pearce. Martin Boaes, chairman, says the "get together" will give the combined agency greater clout when it negotiates ad rates for clients and goes after talent in Europe. The new group will be among the top five U.K. ad agencies.

The aim was also to enlarge the range of services offered. About half of Davidson Pearce's profits and about one-third of BMP's profits are derived from non-advertising sources, such as public relations and marketing research.

VPI Group: In recent months, VPI has concentrated on strengthening itself in the United States, acquiring the Carter Organization, a U.S. public relations firm that specializes in, among other things, lobbying shareholders in Wall Street proxy fights. In Europe, Mr. Valin said, VPI will "upgrade" existing relationships with affiliates. VPI already handles Visa cards, the largest European-wide public relations account held by a U.K. firm. Mr. Valin says Tokyo is the next area that will be emphasized in VPI's strategy, and he hopes to acquire a specialist public relations firm there.

Lopex: This group, whose stock has been strong performer in recent weeks, targeted the European market early. With operations in 12 countries, nine of them European, it offers advertising, marketing and public relations services. "Lopex, for its size, is incredibly well-represented," noted Neil Blackley of stockbrokers James Capel & Co. John Castle, Lopex's chairman, credits the comp-

ny's early emphasis on Continental expansion. "I think we're in better shape than most for Europe," he says, adding that it will be difficult for competitors who have not yet developed a presence on the Continent. European agencies owned by Lopex retain their local identity, which helps them win business, particularly from government-linked operators that might find it awkward to award contracts to foreign agencies, says Mr. Castle.

Standwick: The largest independent U.K. public relations group, Standwick recently made its first foray on the Continent by acquiring Kommunikations, a West German public relations group based in Bonn. "We thought Germany was a good starting point from which we could expand," explained Jan Vercher, Standwick's investor relations manager. But, he noted, "we're far from dependent on Europe."

Since 1986, Standwick has made 10 acquisitions. This year's purchases have included a substantial Tokyo-based agency, Interactions Public Relations Ltd., whose client list includes Fujitsu, Mitsubishi and Hitachi. Most recently, it acquired the New York firm Rubenstein, Wolfson & Co.

Lowe Howard-Spinks & Bell: This ad agency and public relations group, with 24 offices in eight European countries, appeared on some brokerages' buy lists in the spring. Its share price is up about 30 percent since the first of the year. David Forster of Chase Manhattan Securities believes Lowe Howard-Spinks & Bell is among the top five U.K. ad agencies in Europe gives the group good potential.

Yellowhammer: This agency takes its name from a small yellow-bellied bird seen in southern England. Enthusiastic followers have pushed up the price of its shares, which are traded on the Unlisted Securities Market, by about 30 percent since the first of the year.

Yellowhammer has a reputation of depending on internal growth and in-house development of talent for growth rather than acquisitions. Industry observers expect it will be a while before the agency will be ready to play a substantive role in Europe. Still, John Burdett, Yellowhammer's corporate finance director, said the firm will not be left behind. "We are determined to be amongst the five key [European] markets prior to 1992." The agency has launched a financial communications division and recently announced plans to start an agency in France.

Though Burdett sees opportunities on the Continent, he is skeptical of the view that 1992 will sweep the European market into a new era overnight. "People who are seeing 1992 as anything more than a symbol are fooling themselves," he said. "It is only a symbol, a continuation of a process that has been evolving and will continue to take place."

Japan's Exporters Find Lower Import Costs Are a Boon

Continued From Page 7 more than four times faster than prices at the factory gate — again for the third year running. "You can call that profit margin," said David Pike, chief economist in Tokyo for UBS-Phillips & Drew. "The yen appreciation simply hasn't created as many problems as was thought." This year manufacturers face higher wage increases than they

Salomon Brothers Asia Ltd. "They'll pick up on the currency whatever they lose in unit labor cost." Paradoxically, many of the companies regarded as exporters are doing well thanks to refocusing on a booming domestic market. Among automakers, for example, sales forces have mushroomed, distribution networks have been revamped and a

very significant change among consumers," says a local bank economist. "The Japanese are much more willing to spend now than they were only a year or so ago." Structural advantages inherent in the Japanese economy have given the exporters the speed and agility needed to shift strategies rapidly. One of these is the easy availability of funds in the Japanese corporate sector, particularly through the issue of new stock on the booming local exchange.

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PARTNERSHIP The Part... I THAS hardly been the b... limited partnership in... States. Tax reform legisla... removed their sheltered s... And the sluggish perform... and oil market — traditio... partnership investment — has h... increasing uncertainty. To overcome these drain backs... industry has moved aggres... marketing tactics and even its... The industry was hit hard afte... of Oct. 19. Sales of limited... in the first six months of the yea... to \$5.6 billion, a 14 percent decli... with the same period last year. I... was especially important about re... the most popular vehicle for... estate sector fell 48 percen... while oil and gas partnershi... fell 37 percent to \$250 million. In response, partnership spen... been forced to restructure new... to a wider audience. "In the... months we've seen a lot of sp...



PARTNERSHIPS

The Partnership Industry Changes Its Tactics

IT HAS hardly been the best of times for limited partnerships in the United States. Tax reform legislation of 1986 removed their sheltered status. The stock market crash led to widespread investor hesitancy. And the sluggish performance of real estate and oil market — traditional areas for partnership investment — has heightened the prevailing uncertainty.

guaranteed returns," says Christopher Davis, president of the Investor Partnership Association, an industry trade group.

For example, Public Storage Partners Preferred Yield II and III, which hope to raise \$50 million to invest in mini-warehouses, guarantees investors at least an 8 percent annual yield for three years. And if income from the warehouses falls short, the deficit will be made up from a private fund the general partner has set aside.

Moreover, prospectuses are increasingly promising quarterly or yearly appraisals of assets and the opportunity to reinvest dividends if investors like the way a deal is going.

In recent months, there has been renewed emphasis on partnerships capable of producing immediate returns such as equipment leasing. Volatile commodity funds are also being marketed with new vigor now that prices have soared because of the prolonged drought in the Midwest. And motion picture partnerships are getting more attention.

Another by-product of the current marketing effort is a steady drop in fees. This is the first year, according to the research firm of Robert Stanger & Co., that the majority of offerings promise investors more than 70 percent of the profits after all fees and costs have been taken out. Fees, which stood at about 30 percent of a deal's value in 1986 now come to only about 15 percent of total value and most industry experts expect a further drop.

Such innovations may comfort investors, but William Brennan, publisher of Brennan Reports, a tax and investment newsletter, warns that "everything has a price." He estimates that the cost of a guaranteed return could knock a couple of percentage points of appreciation off annual returns.

Indeed, overall returns remain difficult to calculate. Silver Screen partnerships have a long record of hits, but returns from film partnerships have been middling because of fees and claims by other partners.

For example, Silver Screen III is expected by analysts to return about 15 percent. By contrast, a straight investment in Walt Disney stock, the producer of Silver Screen movies, would have returned 54 percent since Silver Screens III's inception.



A scene from Silver Screen III's 'Roger Rabbit.'

Tax Law Put MLPs in Limbo

WILLIAM Turchyn, a senior vice president at Shearson, Lehman, Hutton, believes the possible future of one master limited partnership, the Boston Celtics, speaks eloquently about the fate of such investments that trade like common stocks.

"Even if the Celtics win the National Basketball Association Championship next year, their master limited partnership units will remain in limbo." They were put there in part, he says, by the Revenue Act of 1987.

Fearing that companies would avoid tax reform's higher corporate rates by converting to master limited partnerships, Congress decided last December to classify returns from existing partnerships as portfolio income.

Now, institutional investors must pay a special tax if they hold MLPs and all businesses other than real estate and oil and gas partnerships are prohibited from entering the MLP market. Additionally, MLPs in prohibited areas that predate the revenue act will lose their tax advantaged status in 1997.

Table titled 'How MLPs Have Fared' showing percent total return to May 11, 1988 for various MLP categories like All MLPs, Oil-Gas MLPs, Real Estate MLPs, S&P 500, and Treasury Bonds.

Secondary Market Is Struggling

SELLING UNITS in limited partnerships before their maturity has never been easy, but it has been especially troublesome in recent months as investors feel the full impact of tax reform and exasperation grows with poorly performing markets.

When selling a partnership on the secondary market, an investor generally is forced to offer a discount that ranges between 30 percent and 40 percent below net asset value. "That's largely the result of a very thin market," says Karen Knudson, a limited partnership specialist at Balford, Biehl and Kaiser, a San Mateo, California money management firm.

Despite the discount, investors still may find it difficult to find a buyer. Repackagers — firms that buy and wrap up several existing partnerships for resale — like Liquidity Fund in Emeryville, California and Mackenzie Securities in San Francisco will only purchase mature portfolios that are three or four years old and whose assets are easily appraised. It is unlikely they would buy a troubled investment.

Likewise, the National Partnership Exchange, the only auction service in the United States, which is based in Tampa, Florida, is also selective. The service limits itself to an approved list of about 800 current partnerships.

Although this accounts for roughly 80 percent of all partnership dollars in the public's hands, it does not include deals in more speculative areas such as venture capital and research and development.

Private partnerships, which now account for only a small segment of the limited partnership market, also are not included on the list. Similarly, very few private deals are bought by the repackagers.

Ultimately, some investors end up approaching their broker or the general partner in hopes that they know someone who would be willing to buy the units.

But experts advise investors to shop around for the best offer available. "If you do decide to sell, try everybody — the repackagers, your broker and the auction service," says Ms. Knudson. "The different offers you get can vary by as much as 10 percent."

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HARD ASSETS

Increase in Diamond Sales Is Spurred by Buying in Asia

By D. Jacqueline Smith

Ten times a year, the Central Selling Organization, the diamond distribution network controlled by South Africa's De Beers Consolidated Mines, invites about 150 dealers from around the world to London for what is known as "sights."

It is here that dealers inspect and purchase boxes of rough diamonds that are sometimes in turn sold to other dealers. If the resales result in hefty profits for the dealers who attended the "sights," that is a signal that demand is sufficiently ahead of supply for De Beers to raise prices.

And rise they did in May, continuing a trend of more than three years. Because of the so-called "premium on the box" paid in the resales, De Beers, which controls about 75 to 85 percent of the world's production of rough diamonds, raised prices by 13.5 percent.

Some dealers expect further increases this year. Joseph Schluskel, head of the Diamond Registry Bulletin, notes that "premiums of 7 percent to 12 percent have been paid, on top of the May rise, for some of the May boxes of rough diamonds." Martin Rapaport, a broker and editor of the Rapaport Diamond Report, expects prices to increase another 15 percent this year, with strong demand for smaller diamonds.

But for the time being, the Central Selling Organization is giving no hint of another price increase. Andrew Lamont, a spokesman for the organization, says supply and demand are in balance.

Part of the tightness in supply that led to the May increase can be traced to events following last October's global stock market crash. After the crash, the Central Selling Organization moved quickly to protect the industry of what it feared would be a soft market. The organization held back about 50 percent of what they normally would have released at the November and December "sights," says Mr. Rapaport.

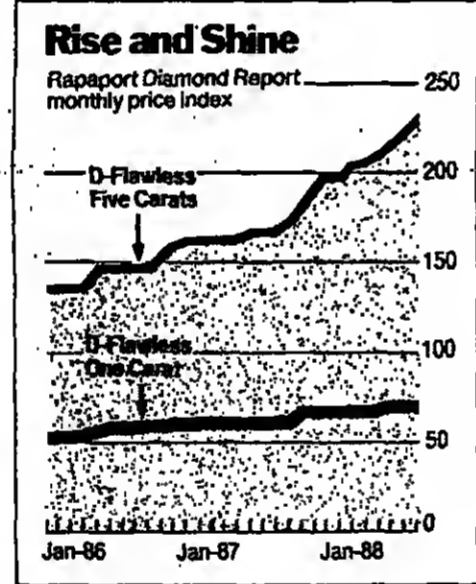
So far, the crash appears to have had little effect. Indeed, there is evidence that the crisis stimulated demand somewhat as investors sought out assets other than stocks and bonds. Also boosting prices is strong demand from the Far East.

Two days after Black Monday, Christie's auctioned a pear-shaped diamond of 64.83-carat. "It was the largest diamond to go up for sale, and the timing looked awful," acknowledges Francois Curiel, an auctioneer at Christie's.

But the massive stone was sold to a buyer from London for \$6.4 million. It was a good sign that the auction market for diamonds was strong, says Mr. Curiel.

The health of the market can be seen in price rises in the last six months. In December, the price of a one-carat D-flawless diamond, the quality benchmark in the industry, was \$13,000. The same stone now fetches \$14,500. Falling from an average price of \$63,000 a carat in 1980, this investment-grade diamond hit a low of about \$12,600 in 1985. The price rises that became apparent in 1985 started with the large stones, but since July of last year all stones have been affected, said Claude Saujet, president of Harry Winston, the Fifth Avenue jeweler.

Much of the demand driving up prices is coming from Japan and Southeast Asia, says Mr. Rapaport. "Japan is the critical component pushing diamond



prices up," he says. "Right now, the market is also very dependent on countries such as Taiwan, Korea, Hong Kong, Thailand," where there is a growing class of wealthy consumers.

Thanks to strength of the yen, Japanese purchasers still regard diamonds as attractively priced. The price of a diamond in yen has not changed for the Japanese in the last three years, notes Mr. Saujet. In dollar terms, diamond prices have doubled in the same period.

Measured in dollars, Japan's diamond imports swelled more than 60 percent in 1987, or about 35 percent in yen terms. That amounted to 2.4 million carats of polished diamonds, about 50 percent more than the number of carats in 1986, and marked the seventh straight year of growth in Japanese diamond imports.

The Japanese market is bringing a new class of buyers, says Mr. Rapaport. It has become fashionable for young, single women to buy themselves cocktail rings with diamonds, Mr. Rapaport notes.

This type of Japanese customer is a first-time buyer, he notes, so the initial purchase tends to be one of the smaller stones. The smaller stones are the "bread and butter" of the American market, Mr. Rapaport says, so higher prices can soon be expected in U.S. stores.

"The backbone of the diamond industry is the consumer who buys a half-carat engagement ring," says Mr. Schluskel of the Diamond Registry. Seventy-five percent of brides in the United States receive a diamond engagement ring, and it's usually half a carat, he added. In the first four months of this year, \$800 million worth of diamonds of under half a carat were imported into the United States, compared with \$380 million worth of diamonds of over half a carat.

Buying a diamond for purely investment reasons is rare, say those in the trade, and few buyers outside of professionals have the skills to find or recognize a good deal.

Says Mr. Schluskel: "Nobody buys a diamond for profit, but if you can afford to wait five to ten years, then you might see a gain."

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Weekly International Bond Prices

Provided by Credit Suisse First Boston Securities, London, Tel.: 01 323 11 30  
Prices may vary according to market conditions and other factors.

July 7

Dollar Straights

Table of Dollar Straights with columns for Issuer, Maturity, Price, and Yield.

France

Table of French bonds with columns for Issuer, Maturity, Price, and Yield.

Japan

Table of Japanese bonds with columns for Issuer, Maturity, Price, and Yield.

United Kingdom

Table of UK bonds with columns for Issuer, Maturity, Price, and Yield.

Mutual Funds

Table of Mutual Funds with columns for Fund Name, Price, and Yield.

Supranational

Table of Supranational bonds with columns for Issuer, Maturity, Price, and Yield.

United States

Table of US bonds with columns for Issuer, Maturity, Price, and Yield.

Non-European

Table of Non-European bonds with columns for Issuer, Maturity, Price, and Yield.

DM Dollar Zero Coupons

Table of DM Dollar Zero Coupon bonds with columns for Issuer, Maturity, Price, and Yield.

DM Euro Straights

Table of DM Euro Straights with columns for Issuer, Maturity, Price, and Yield.

DM Euro Zero Coupons

Table of DM Euro Zero Coupon bonds with columns for Issuer, Maturity, Price, and Yield.

DM Euro Straights

Table of DM Euro Straights with columns for Issuer, Maturity, Price, and Yield.

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concede

...ing him ahead with 38.8 percent of the vote, followed by...

Arab Unrest Enters 8th Month, 3 Die

JERUSALEM — A Palestinian was shot to death in a clash with Israeli troops on Sunday...

ISRAEL: Sale Is Protested

...He expressed that he had been able to persuade...

New International Bond Issues

Table with columns: Issuer, Amount (millions), Mat., Coup. %, Price, and Terms. Includes sections for Floating Rate Notes, Fixed-Coupon, and Equity-Linked.

International Loans Set Record, but Rate of Growth Slows

By Carl Gewirtz International Herald Tribune PARIS — The good news for the international credit market is that the volume of business in the first half of this year set a record...

banks, forcing them to pay greater attention to the profitability of business they put on their books.

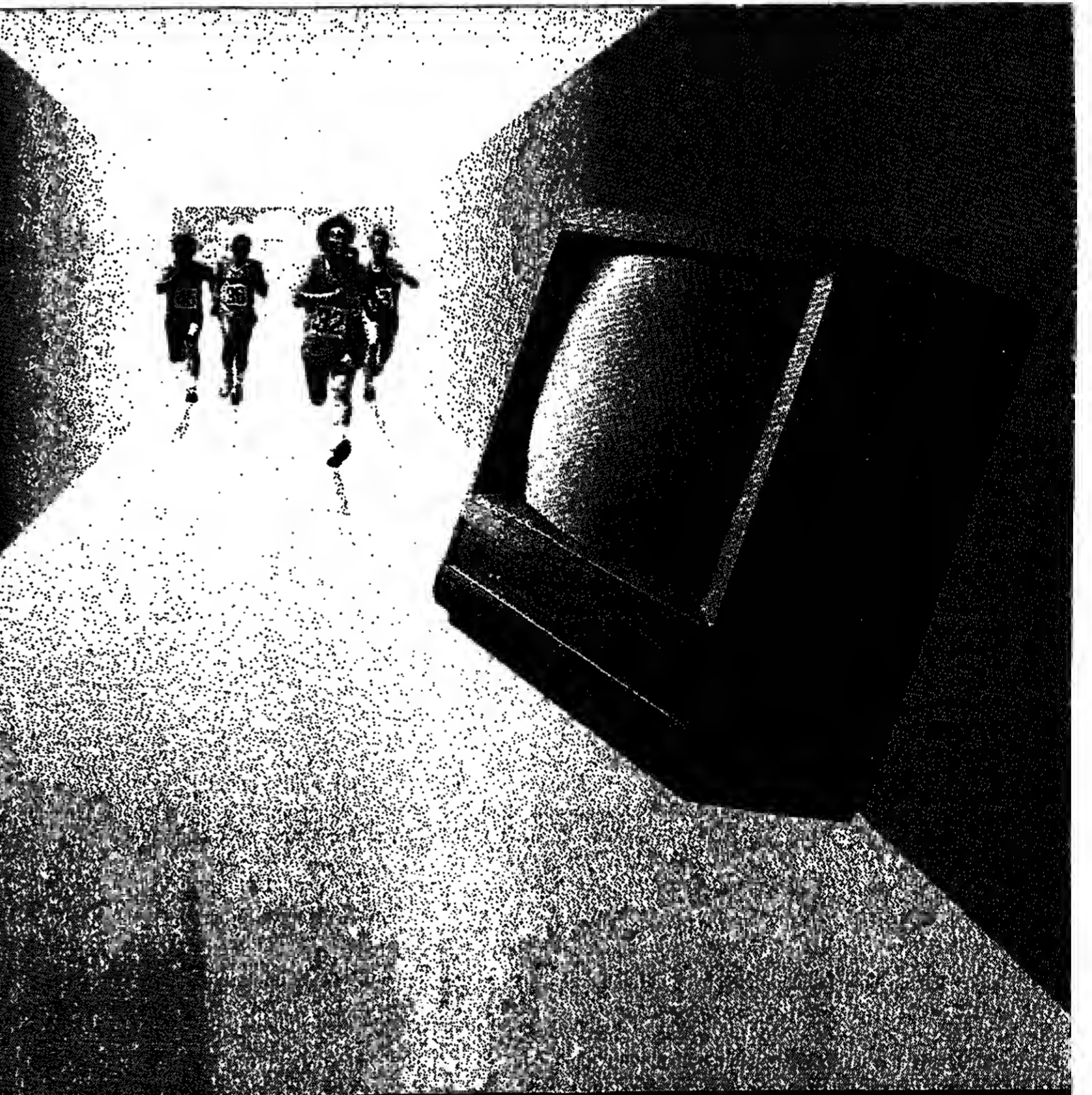
EUROBONDS: Good News for the Dollar Could Be Bad for the Market

(Continued from first finance page) needed hand, since a strong dollar at the moment serves a useful political purpose of helping to hold down inflation...

straight swap — 15 basis points below Libor for Italy, 10 basis points below Libor for Denmark — and what they are believed to have actually ended up with means something's been added...

Inflation Fears Hit U.S. Bond Prices

NEW YORK — Prices of U.S. Treasury securities took a downturn at the end of last week on the stronger than expected employment data for June...



Go for the Gold! Goldstar extends a warm welcome to all participants and spectators of the Seoul Summer Olympics. Includes GoldStar logo and contact information.

Treasury Bonds

Table with columns: Maturity, Bid, Close, Ask, Yield, and Wk. chg. Lists various Treasury bond maturities and their market data.

U.S. Consumer Rates

Table with columns: Index Name and Rate. Lists various consumer price indices and their current rates.









MONDAY SPORTS

It's Midseason Madness: All the Stars Won't Be Out in Cincinnati

By Thomas Boswell
WASHINGTON — No matter what happens in Cincinnati on Tuesday night, even if Wade Boggs gets subpoenaed at home plate, this is going to be the Terry Steinbach-Tom Kelly All-Star Game.



Nolan Ryan after defeating the Mets on Saturday to become only the second pitcher to win 100 games for one team in each league.

Ryan Ties a Record in 100th Victory for Astros

Compiled by Our Staff From Dispatches
HOUSTON — Nolan Ryan joined Cy Young as the only other pitcher in major league history to win 100 games for one team in each league, hurling the Houston Astros to a 6-3 victory Saturday over the New York Mets.

Weiss Grand Slam Powers A's Past Tigers

Compiled by Our Staff From Dispatches
DETROIT — Rookie Walt Weiss highlighted a seven-run third inning with his first grand slam in the major leagues and Dave Stewart posted his 12th victory Sunday as the Oakland A's defeated the Detroit Tigers 8-2.



Key Quinones of Seattle tagging out Toronto's Kelly Gruber at second in the third inning Saturday.

SUNDAY BASEBALL

out in the fourth, plus another run in the fifth. He came out following a one-out walk in the seventh. He had lost seven of his previous 10 decisions, Rick Honeycutt relieved.

Downing added solo shots as California extended his winning streak to five games. The Indians dropped their fourth straight despite turning a record-tying six double plays.

British Golf by 3 Strokes

(Combined Dispatches) — Barry Lane led the European Tour, Lane, 28, finished ahead of Sandy Lyle of Scotland, the U.S. of two birdies and an eagle on the 18th hole and shot a 72 for third place at 275, a stroke back.

Lead in U.S. Golf

(UPI) — Peter Jacobsen scored his second straight hole-in-one to lead the U.S. Open after three rounds at the Atlanta-Fulton County Stadium.

World Pole Vault Mark

Sergei Bubka of the Soviet Union broke the world record of 6.06 meters (19 feet 9 inches) at the Nikaza Grand Prix track meet in Moscow.

Germany sets world record in 800 meters

Germany set a world record in the 800-meter race at the Wimbledon Open Championships in Newport, Rhode Island, Sunday.

SCOREBOARD BASEBALL

Table with columns for Day, Team, Score, and Game. Includes sections for Friday's Games, Saturday's Major League Line Scores, and Saturday's Games.

Major League Standings

Table with columns for League, Team, W, L, Pct., GB. Lists standings for American League (East and West) and National League (East and West).

TRANSITION

BASEBALL
BOSTON — Signed Gary Gentry, pitcher, from Pontotoc of the International League.
CALIFORNIA — Placed Darrell Miller, catcher, on the 15-day disabled list retroactive to July 7.

AUTO RACING

BRITISH GRAND PRIX (at Silverstone, England)
1. Ayrton Senna, Brazil, McLaren Honda, 1 hour, 28 mins., 103.373 mph.

SATURDAY BASEBALL

Young, Gaylord Perry, Jim Bunning and Ferguson Jenkins are the others. Seven pitchers, including Ryan and Young, have won at least 100 games for different teams.

CYCLING

SEVENTH STAGE
France, 225.5 kilometers/139 miles
1. Valerio Tiberioli, Italy, 5 hours 27 minutes, 104.85 km average speed.

STEFFI GRAF

NEW YORK — In baseball, a grand slam is as common as a ringer. But in tennis or golf, a Grand Slam is a velvet pouch with four precious jewels.

TENNIS

U.S. PRO CHAMPIONSHIPS (at Brantford, Massachusetts)
Heracleo de la Pena, Argentina, def. Mats Wilander, Sweden, 7-6 (7-4), 6-1.

Large vertical advertisement on the left side of the page with various graphics and text.

LANGUAGE

A Brief Thesis on Theses and Tesis

By William Safire
WASHINGTON — A thesis, in logic and rhetoric, is a proposition — a theme to be maintained or perhaps proved by the facts of anticipated challenge and argument.

Encores for Founder Of Kennedy Center

By David Richards
WASHINGTON — People tell Roger Stevens he looks good these days — and he does. There's color to his face and a twinkle has returned to his eyes.



Roger Stevens: "I've always done what pleased me all my life."

of sitting people down and talking them into a deal. I just over looked at it that way. What I do best is solve problems and come up with new ideas. I've inherited that ability and, if I say so myself, I'm terribly good at it.

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Il Perturbato Faint in... Florence claustrophobic and with too much to see in so small a space for the busy or sense of awe. The city's historical monuments have no shops that sell ordinary objects from daily life.